

Testimony before the Commerce Committee

CT Flagship Producing Theatres

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3/1/16

S.B. 5422, Act Concerning Awards from the CT Arts Endowment Fund

On behalf of the Connecticut Flagship Producing Theatres, which include Goodspeed Musicals, Hartford Stage, Long Wharf Theatre, the Eugene O'Neill Theatre Center, Westport County Playhouse and Yale Repertory Theatre, we want to start by saying thank you to the Commerce Committee and the entire Legislature for their support of our innovations and share in the Connecticut economy.

The Flagship Producing Theaters share the goal to better manage and streamline the granting guidelines for the Arts' Endowment that are outlined in SB 5422, however, this Bill would also eliminate the opportunity for our theaters to receive funding through the Endowment. Each of our institutions relies upon this Endowment funding¹ to support major programs with statewide impact, and cutting it would imperil our ROBUST economic activity across sectors.

The Connecticut Arts Endowment

- Provides a consistent funding stream for institutions that demonstrate the ability to raise significant funds from the private sector
- Rewards institutions that increase their private fundraising totals on a yearly basis
- Is a critical funding tool for arts non profits – many of the leading ones have only modest endowments due to the necessity and focus of meeting yearly operating costs

The Connecticut Flagship Producing Theaters are sympathetic to and share the goals of the Administration and the Legislature to more fairly and predictably manage the fund amongst recipients. However, as this effort moves forward, we recommend:

- **Retain the Flagship Producing Theaters and other 'major' institutions as recipients of Endowment funding, as this funding is critical to our economic and artistic success, and the modest investment made is magnified nearly 400% by economic output to the state.**

Respectfully, if any changes are to be made to the Connecticut Arts Endowment Fund, the legislature should FIRST look at the State's investment in, and management of, the fund and whether or not growth of the fund is being maximized. The original legislation from 1993 called for a funding goal by the State

¹ Yale Repertory Theatre does not receive funding from the Endowment

of \$20 Million. Total contributions have not exceeded \$12M, with the last \$1M contribution being made in 2002.

Secondly, returns on the fund have greatly diminished over the past decade. In 2004, the market value of the fund was \$16M, and distributions that year were \$757K. In 2009, the value had dropped to \$15.6 M, with distributions increasing to \$852K. In 2013, the fund had grown to \$17.8M, and distributions went down to \$500K. While we appreciate that there are probably many contributing factors that have influenced growth of the fund and its distributions, there is great confusion in the arts sector about the Arts Endowment and how it is administered. If anything is to happen to the fund, we respectfully request a thorough review of the fund first, an assessment of the impact that grant recipients have had in their communities they serve because of this support, and that great consideration be given to increasing the size of the fund before eliminating organizations that have depended on this stream of funding for 23 years.

To review, the impact of the Flagship Producing Theatre impact both statewide and nationally:

- We create more than **1,488** jobs for artists and administrators right here in Connecticut
- We spend just under **\$24 million** in taxable payrolls
- We purchase local materials in excess of **\$12.4 million**
- We spend nearly **\$2.3 million** on local printing and advertising and over **\$1.3 million** on hotels nights and apartment rentals for guest artist housing
- We attract nearly **328,000** regular patrons from across the nation and world

In a recent economic impact study conducted by the Americans for the Arts, the direct economic impact of all the arts in Connecticut in 2010 was \$455 million. **Approximately 10% of that total spending comes from our six flagship producing theatres**, which serve residents from all over the state and attract thousands of patrons from outside of the state.

Beyond our economic impact on the State, we also have an important community impact, especially in education. All of us offer community programs ranging from student matinees to classes for students to professional development for teachers. We serve over 40,000 students throughout the State. For example, the O'Neill annual produces one act plays written by 12-18 year olds from Connecticut schools, as part of its Young Playwrights Festival. Here is a quote from a parent:

"The final outcome of her experience was so much more than the production itself. She emerged as a more mature writer and 12 ½ year old; learning how to take feedback, exposed to some controversial social topics and participating is a truly collaborative experience. I could not have asked for a better experience for her."

- Liz Masson, Mother of Talia Masson, Young Playwright 2015 (6th grader, Dual Language Magnet School, Waterford)

Finally, our organizations received national recognition, which enhance Connecticut's reputation. Most recently, *A Gentleman's Guide to Love and Murder* won four Tony Awards, including Best Musical. This

show premiered at Hartford Stage Company. Connecticut was also represented in New York with *Avenue Q* and *Ugly Lies the Bone*, which began at the Eugene O'Neill Theater Center, *These Paper Bullets* and *Indecent*, which premiered at Yale Rep, and Long Wharf's production of *Satchmo at the Waldorf*. In addition, our productions have collectively won nearly 100 national awards, including 7 Tony Awards.

Your continued investment in our future has a direct and lasting impact on the local economy, the education of our children and the quality of life for the citizens of our state. Thank you for your time and consideration.